



E-Filed on 4/2/08

1 3993 Howard Hughes Parkway, Suite 600  
 Las Vegas, NV 89169-5996  
 Facsimile (702) 949-8321  
 Telephone (702) 949-8320

2 Susan M. Freeman AZ State Bar No. 004199  
 Email: sfreeman@lrlaw.com  
 Rob Charles NV State Bar No. 006593  
 Email: rcharles@lrlaw.com  
 John Hinderaker AZ State Bar No. 018024  
 Email: jhinderaker@lrlaw.com

3 Attorneys for USACM Liquidating Trust

4 In re:

5 USA COMMERCIAL MORTGAGE  
 COMPANY,

6 USA CAPITAL REALTY ADVISORS,  
 LLC,

7 USA CAPITAL DIVERSIFIED TRUST  
 DEED FUND, LLC,

8 USA CAPITAL FIRST TRUST DEED  
 FUND, LLC,<sup>1</sup>

9 USA SECURITIES, LLC,<sup>2</sup> Debtors.

10 Affects:

- All Debtors
- USA Commercial Mortgage Company
- USA Capital Realty Advisors, LLC
- USA Capital Diversified Trust Deed Fund, LLC
- USA Capital First Trust Deed Fund, LLC
- USA Securities, LLC

11 Case No. BK-S-06-10725-LBR  
 Case No. BK-S-06-10726-LBR  
 Case No. BK-S-06-10727-LBR  
 Case No. BK-S-06-10728-LBR<sup>1</sup>  
 Case No. BK-S-06-10729-LBR<sup>2</sup>

12 CHAPTER 11

13 Jointly Administered Under Case No.  
 BK-S-06-10725 LBR

14 **DECLARATION OF EDWARD M.  
 BURR IN SUPPORT OF OMNIBUS  
 OBJECTIONS TO PROOFS OF  
 CLAIM BASED UPON  
 INVESTMENT IN ELIZABETH  
 MAY REAL ESTATE LOAN; AND  
 CERTIFICATE OF SERVICE**

15 Date of Hearing: May 8, 2008  
 Time of Hearing: 10:30 a.m.

16 I, Edward M. Burr, hereby declare under penalty of perjury that:

17 1. I am a principal with Sierra Consulting Group, LLC ("Sierra"). Sierra is one  
 18 of the leading providers of restructuring advisory and litigation support services in the  
 19

20  
 21  
 22  
 23  
 24  
 25  
 26  
<sup>1</sup> This bankruptcy case was closed on October 12, 2007.  
<sup>2</sup> This bankruptcy case was closed on December 26, 2007.



1 Southwest. Sierra is a leading national consulting firm comprised of experienced CPAs  
2 and other financial professionals.

3       2. I submit this declaration on behalf of the USACM Liquidating Trust's  
4 Objections to Proofs of Claim filed this date.

5       3. This Court approved the Official Committee of Unsecured Creditors of USA  
6 Commercial Mortgage Company's ("Committee") appointment of Sierra as financial  
7 advisers on August 11, 2006. From that date to the Effective Date of the Debtors'  
8 confirmed Plan of Reorganization, I have assisted the Committee in analyzing facts  
9 concerning these jointly administered bankruptcy cases. As of the Effective Date of the  
10 confirmed Plan of Reorganization, Sierra has been retained by the USACM Liquidating  
11 Trust to investigate and reconcile the claims against the USA Commercial Mortgage  
12 Company ("USACM") estate.

13       4. I make the following declaration based upon my personal knowledge, and  
14 upon the records of the Debtors described in this declaration, including Debtors' original  
15 and amended schedules of liabilities and the proofs of claim described herein, as well as  
16 Debtors' accounting records.

17       5. On March 12, 2007 Effective Date of the Plan, the USACM Liquidating  
18 Trust succeeded to USACM's rights with respect to books and records.

19       6. Sierra has been working closely with both the Trustee for the USACM  
20 Liquidating Trust and Development Specialist Inc. ("DSI"), the Trustee's financial  
21 advisor, in evaluating all of the claims that were filed in the USACM estate.

22       7. **Exhibit A**, attached, lists Proofs of Claim that appear to be based, in whole  
23 or in part, upon an investment in the Elizabeth May Real Estate Loan ("Elizabeth May  
24 Loan"). For each claim listed, **Exhibit A** identifies the Proof of Claim number, the  
25 claimant, the claimant's address, the total amount of the claim and the total amount of the  
26



1 claim that appears to be related to the Elizabeth May Loan based upon the information  
2 provided by the claimant.

3       8. We are advised by the loan servicer, confirmed by payment records, that on  
4 or about January 18, 2007, the Elizabeth May Loan was paid in full, as reflected in  
5 USACM's books and records. Shortly thereafter, USACM processed the payoff and  
6 distributed the proceeds to the Direct Lenders on the Elizabeth May Loan.

7       9. The Direct Lenders were paid in full, subject to servicing fees and any other  
8 charges under their respective Loan Servicing Agreements and this Court's orders,  
9 including the Confirmation Order. In general, the Direct Lenders received their principal  
10 and interest on the Elizabeth May Loan, less sums withheld for Prepaid Interest and sums  
11 known as the 2% Holdback. On the Effective Date of the Plan, the Prepaid Interest was  
12 applied, a portion of the 2% Holdback was applied to the allowed claims of the Direct  
13 Lender Committee, and the balance paid to the Direct Lenders.

14      10. Accordingly, the USACM Trust no longer has further obligations to the  
15 Direct Lenders arising out of the Elizabeth May Loan because, pursuant to USACM's  
16 books and records, the Elizabeth May Loan has been repaid in full, and the Direct Lenders  
17 have received such payment as they were entitled to under the confirmed plan of  
18 reorganization.

19                   Dated: April 2, 2008

22                   /s/ Edward M. Burr

23                   Edward M. Burr



1 Copy of the foregoing mailed by first class  
2 Postage prepaid U.S. Mail on  
3 April 2, 2008 to:

4 All parties in interest listed on  
5 Exhibit A attached.

6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

s/ Renee L. Creswell  
Renee L. Creswell